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SUBJECT: A VIP VISIT TO BURMA'S KACHIN STATE: JADE, BUSTLE,  
AND VIRTUAL REALITY

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Classified By: Charge D'Affaires Larry Dinger for Reasons 1.4 (b) & (d)

Summary  
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11. (C) The Burmese Foreign Minister invited Chiefs of Mission for a Jan. 16-18 visit to Kachin State in the country's far north. Myitkyina, the capital, and Pha Kant, a jade mining center, are busy, seemingly prosperous cities. China's Yunnan Province, only two hours away from Myitkyina by road, helps explain the bustle. Rural areas appear poor but not destitute. Authorities had enlisted major efforts to spruce things up for the visit, screen away possible embarrassments, protect against security concerns, and provide entertainment during an itinerary dominated by endless, bouncy bus rides. Comment: The not-so-subtle burnishing was an irritation which created rather than camouflaged concerns. Still, beneath the gloss, Kachin State and its people appeared to be coping reasonably successfully with the economic challenges of life, evoking scenes observed elsewhere in out-back Southeast Asia. End summary.

Long on bus rides; short on substance  
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12. (SBU) Most Rangoon COMs, including the Charge, accompanied Foreign Minister Nyan Win on a three-day, MFA-protocol-organized "ambassadors" visit to Kachin State. The itinerary, heavy on long bus rides, was tightly controlled: arrival in the capital Myitkyina with an initial courtesy call on the Commander Northern and Chair of the Kachin State Peace and Development Council (Governor) Brigadier General Soe Win; an eight hour bus ride west to Pha Kant (also spelled Hpakan), a jade mining center; a bus ride back to Myitkyina; cultural evenings in both cities; an hour and a half bus ride north to the confluence of rivers that forms the mighty Irrawaddy; then to the airport for departure. The visit was short on formal substance, though there were meal-time opportunities to chat with the FM. Mostly it was an opportunity to see a remote part of Burma and observe how the regime prepares for VIP guests.

## Foreign Minister in charge; tight security

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13. (C) The FM, a retired Major General, told the Charge he served for three years in Kachin State as a company commander in the 1980s when the Burmese Army was fighting against an active insurgency led by the Kachin Independence Army (KIA). The Minister had not been back since. Note: The KIA negotiated a ceasefire with the Burmese regime in the early 1990s, but its fighters retained their arms. Rumors in Rangoon suggest the KIA and its political counterpart the Kachin Independence Organization (KIO) are chafing at lack of progress on their political goals, in particular a desire for the Kachin people to have a reasonable degree of autonomous governance. The COM tour gave no opportunity to explore such issues. End note. Security was in place at all points. When one COM attempted to venture from the hotel for an early morning walk, security forces turned him back. Ordinary citizens were not permitted to enter the streets in front of the hotels. When the COMs visited the confluence of waters, armed police were spaced every hundred yards or so along the empty shore.

## Kachin's capital is neat and bustling

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14. (SBU) Myitkyina (pronounced MICH ina) is an attractive city of 400,000 people. The COMs mostly observed it from bus windows, but they did plunge into the central market for about half an hour of shopping. When the Charge moved off toward the back stalls at a brisk pace, a policeman trailed along. It was Sunday in a part of Burma that has a strong tradition of Baptist missionaries, which may explain why some stalls were shut; but many others were open, brimming with

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goods, and bustling with activity. Along the bus routes, streets appeared well-kept; houses and shops were often very modest, sometimes thatch, but they were clean and neat; shops were well-stocked; and people often flashed smiles to the foreigners. The ILO rep who had visited Myitkyina in December said that clearly things had been spruced up, but even previously the city had seemed reasonably prosperous. Myitkyina is only about two hours from Yunnan Province, China, by "a good road." Reportedly, Chinese tourist buses are increasingly frequent; but during the COM visit a large cultural park was empty of tourists.

## Hiding a Chinese connection

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15. (SBU) The Burma MFA had leased two modern buses with drivers from a source in Yunnan, as confirmed by Chinese speakers in the COM group who chatted with the drivers. When a group member asked the Chief of Protocol why Burma would need to rent from abroad, the response was: "Oh, no. Those are Burmese buses. Look at the license plates." When one of the buses had a flat tire near the end of the trip, the driver had to remove the front license plate to reach the spare. He removed two plates: Burmese, and Chinese beneath. Neither buses nor drivers had ever been on the road to Pha Kant. As a scheduled five and a half hour journey dragged out to eight, one had to assume the advance officer had done the route in an SUV. The Minister did not appear amused.

## Rough road to Pha Kant

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16. (SBU) For about 50 miles, the route to Pha Kant is the famous Stillwell Road that allied forces constructed to link India with Yunnan during WWII. It is mostly bumpy gravel, two lanes wide, though with narrow, sometimes wooden bridges. The final 60 miles are a poorly maintained, dirt, sometimes one-lane road with rickety, often wooden bridges, passing through farming country and the occasional small village, before climbing via twists and turns to the Pha Kant valley.

Farms and towns appear poor but not desperately so. A few farmers have small tractors; most use yoked cattle for field work. Quite clearly maintenance crews had very recently attempted to smooth the route: filling pot holes; grading ruts. Still, the Chinese buses struggled to average even a 20-mph pace. Twice the drivers had passengers walk across bridges, lightening the load. At one point, the buses forded a stream rather than risk the bridge. At the one modest-sized town on the route, most of the population lined the street to greet guests, with local musicians accompanying colorfully costumed dancers. Almost everyone appeared friendly. A soldier in the crowd was wearing a "U.S. Army" camouflage jacket.

#### Adjusting reality for VIPs

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¶7. (SBU) After eight hours on the decrepit road, the expectation was that Pha Kant would be a small, rural town. Actually, it is a city of 200,000; and its shops were over-flowing with consumer goods. It would seem cargo trucks must carry in huge volumes of supplies; but on the Friday and Saturday of the visit, the Charge noticed almost no trucks traveling to or from the city. In fact, one gained the impression that major efforts had gone into adjusting reality for the VIPs. Many of Pha Kant's rough streets had lengthy new fences: eight-foot-tall sheets of shiny, galvanized-tin roofing material wired together to block the view. Glimpses through gaps showed bare yards, sometimes small garbage piles, nothing too startling. Many gallons of white paint had been applied to stones, tree trunks, and walls. Police and firemen, all wearing new uniforms, were spaced at attention along the bus routes. The public lined the streets, too, sometimes in crowds, always curious. Smiles and waves from the buses were instantly reciprocated.

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#### King Jade

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¶8. (C) As is often the case with mining towns, Pha Kant has developed right next to the open pits. It is a rough-hewn place. The regime kept it a "restricted area" until 2005, and MFA Protocol told the COMs they were the first foreign diplomats ever to visit. (Anecdotally, we hear a Russian and a Nepali were actually the pioneer dips.) At least two "nice" hotels are available. On a night with temps in the 40s, the Charge's clean, spartan room had neither heat nor hot water but did have electricity and cable TV. The group visited an underground jade museum featuring "the world's largest" jade boulder, estimated to weigh 3,000 tons. The drive to that site was through a major, open-pit mining operation. A couple dozen men were perched precariously part way down steep tailings to sort through the detritus dumped from above by big trucks. When the COM buses made the return trip, all the men were atop the slope, just sitting. An MFA minder sought to assure the Charge that the men are independent operators who can keep any small jade boulders they find. (Note: the ILO has heard reports that some private mines in Pha Kant utilize prisoners, "forced labor." End note.) When the group visited a jade processing center, all workers had face masks and were wearing matching, obviously new sneakers and T-shirts. Freshly painted signs proclaimed in English and Burmese: "Safety First."

#### Almost heaven, West Virginia and the Irrawaddy

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¶9. (SBU) The military commanders in both Pha Kant and Myitkyina hosted outdoor dinners for the group, with entertainment. Myitkyina's event was spectacular. Singers and traditional dancers performed during the meal. Selections included a perfectly accented rendition of the American classic "Take Me Home Country Roads," plus Chinese,

Indian, Japanese, Indonesian, and Burmese songs. In darkness, all guests were directed to the bank of the Irrawaddy where thousands of flickering lights in tiny paper boats were floating down river with fireworks overhead. It was magical, but one had to wonder how many people had contributed to that effort and under what motivation.

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